

**Joint Select Committee on Budget & Appropriations Process Reform – Member Day**  
**Hearing**

*Prepared Testimony of Democratic Whip Steny H. Hoyer, June 27, 2018*

“Thank you, Co-Chairs Womack and Lowey. I appreciate the opportunity to share my thoughts with the Joint Select Committee on Budget and Appropriations process reform. In the few minutes I have, I want to talk about three important areas where reform ought to occur.

“The first is congressionally directed spending. Members of Congress know their districts better than anyone at federal agencies and better than the Appropriations Committee as a whole. When Republicans came into the House Majority in 2011, they made a mistake by eliminating congressionally directed spending through a change in their Conference rules. They both gave up Congress’s constitutional power of the purse to the executive branch and made it more difficult to forge consensus on major legislation.

“It’s true that some Members abused the process in the past. That’s why, when Democrats came into the Majority in 2007, we reformed the process to make it transparent and to hold all Members accountable by showing the public which Member sponsored each item, requiring Members to certify they had no financial interest and published all requests on their websites, and blocking for-profit entities from receiving them. This Committee should consider bringing back congressionally directed spending with – at a minimum – Democrats’ successful reforms.

“The second area I want to address is paying for what Congress buys. This Congress has ignored the statutory PAYGO law that Democrats enacted in 2010, and the current House Majority replaced the effective House PAYGO rule. The House Republican alternative of “CUTGO,” only deals with spending, which left the door open for this Majority to pass a tax law that raised deficits by \$1.8 trillion last December and trillions more over the period it has been a House rule. PAYGO deals with both spending and revenues in a balanced way. This allows Congress full flexibility to make our collective political decision as to the best mix of policies to offset the cost of any new legislation.

“Third, any budget process will only be successful if there is political will to follow it. The current process has been effective when Congress chose to pursue it. If the Budget Committee were allowed to do its job and did it honestly and responsibly and not simply as a political message, it would be the legislative branch’s loudest voice in setting overall long-term fiscal policy. Too often in recent years, the Budget Committee has been sidelined, only called upon when the Majority decided reconciliation instructions were necessary to force through partisan legislation.

“Last year’s tax law was a perfect example of abusing the budget process by using a tool intended for deficit reduction, ironically, to use it to add trillions to deficits. I should note: that is not my assessment of the fiscal impact of that legislation. It is the combined assessment of the Congressional Budget Office and Joint Committee on Taxation. Collectively, we must rely on their status as nonpartisan arbiters in order for any budget process to function as intended.

“I hope that this Committee will include in its recommendations a restoration of transparent, accountable congressionally directed spending that restores Congress’s constitutional role and a return of the proven enforcement tool, PAYGO. I also hope that, in making recommendations, you all recognize that, at the end of the day, regardless of what changes you propose, in order to be effective, Congress has to want to follow whatever process it creates for itself. And it is up to the Majority to see that through and set the tone, even when it is not convenient. Honesty, discipline, and courage will determine whether the “process” is worth talking about.

“I thank the Co-Chairs and all the members of this Committee again for this opportunity to testify.”